



# County of Los Angeles CHIEF EXECUTIVE OFFICE

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February 4, 2008

To: Supervisor Yvonne B. Burke, Chair  
Supervisor Gloria Molina  
Supervisor Zev Yaroslavsky  
Supervisor Don Knabe  
Supervisor Michael D. Antonovich

From: William T Fujioka  
Chief Executive Officer

## SACRAMENTO UPDATE

### Status of County Advocacy Legislation

**County-supported SB 286 (Lowenthal and Dutton)**, which would have required that the first payments from the proceeds of bond funds from Proposition 1B, the Local Streets and Road Improvement, Congestion Relief, and Traffic Safety Account of 2006, be allocated by the State Controller not later than January 1, 2008, was amended on January 17, 2008, to remove Senator Dutton as bill author and Assembly Member Nava as bill co-author, delete provisions related to Proposition 1B, and now require that transportation planning agencies, county transportation commissions or authorities, and congestion management agencies to adopt criteria that give priority to the sponsors of eligible projects that partner with a community conservation corps, with respect to Federal funds made available to the State for transportation enhancement projects. The Department of Public Works has reviewed the amended version of the bill and indicates that payment of Proposition 1B Local Streets and Road funds was included in the 2007 Budget. In addition, given the new intent of the bill, support for SB 286 is no longer applicable. **Therefore, our Sacramento advocates will take no position on the amended version of SB 286.**

**County-opposed SB 726 (Alquist)**, as amended on January 22, 2008, which would extend the public safety job-related presumption of causation for blood-borne infectious diseases to claims filed on or after April 1, 1995, was amended on January 29, 2008, to apply only to claims filed in Santa Clara County. On January 30, 2008, this version of

the bill was passed on the Senate Floor by a vote of 26 to 11. SB 276 now moves to the Assembly. The amended version of SB 726 would no longer have a negative impact on the County of Los Angeles. **Therefore our Sacramento Advocates will remove our opposition and take no position on the amended version of SB 726.**

### **Legislation of County Interest**

**SB 867 (Cedillo)**, as amended on January 29, 2008, would authorize licensed family child care providers and license-exempt child care providers to select an organization to negotiate the terms of wages and benefits with the California Department of Social Services, the California Department of Education, or any other State agency that administers subsidized child care programs.

California's subsidized child care programs assist low-income working families, CalWORKs families participating in welfare-to-work activities and who have left the CalWORKs program, and families whose children are found at-risk of abuse or neglect. Families receiving subsidized child care may select from three types of providers: 1) licensed child care centers; 2) licensed family child care homes; or 3) license-exempt providers, which are typically relatives or friends. Under current law, reimbursement rates for subsidized child care are based on the type of child care, the age of the child, and payment for full-time or part-time care charged at a monthly, weekly, daily, or hourly rate.

SB 867 would authorize licensed family child care providers to organize effective January 1, 2011. License-exempt providers would be eligible to organize effective January 1, 2013. The bill would require the State Superintendent of Public Instruction and the California Department of Social Services, with the assistance of counties and child care agencies, to collect information on child care providers and make that information available to the provider organization. The provider organization would be required to petition the State to serve as the negotiating agent of all family child care providers. The designation of the provider organization would be determined by an election administered by the Public Employment Relations Board.

Under SB 867, licensed family child care providers would be deemed to be self-employed and would not be considered State employees. Any agreement for wages or benefits reached through negotiation would be subject to an appropriation by the State Legislature. The bill would prohibit the provider organization from calling or directing a strike.

SB 867 is nearly identical to AB 1164 (De Leon) of 2007 and SB 697 (Kuehl) of 2006, both of which were vetoed by the Governor. In his veto message of AB 1164, the Governor noted that the bill would add "significant fiscal pressures to the State's

structural budget deficit." In his veto message of SB 697, the Governor expressed concern that the bill would result in providers caring for subsidized children being reimbursed at a much higher rate than providers caring for non-subsidized children. The Governor noted that, "State reimbursement rates would drive the market and make child care too costly for low-income families that are not receiving child care subsidies."

Proponents of AB 1164 and SB 697 contended that California families have inadequate access to affordable, quality family child care due to low wages and the lack of benefits resulting in high turnover among child care providers. The supporters also noted that allowing child care providers to organize would improve the quality of child care in California by giving family child care providers "the voice they need to have a say in the issues that affect their jobs and the working families they serve." Opponents of the prior bills noted that thousands of children who are eligible for subsidized child care are on waiting lists and cannot obtain services because child care funding is limited. They further argue that increasing wages and benefits for child care providers would limit access to child care services.

There is currently no support or opposition on file for SB 867. However, AB 1164 and SB 697 were sponsored by the American Federation of State, County and Municipal Employees and the Services Employees International Union. Support included the California Federation of Teachers, California Labor Federation - AFL-CIO, Congress of California Seniors, Family Child Care Association of San Francisco, Kids First, Labor Project for Working Families, Latin American Child Care Providers Association, Progressive Jewish Alliance, San Mateo County Family Child Care Association, Sonoma County Child Care Association, and United Auto Workers Local 2865, Local 2103, and Local 4123. The bills were opposed by the California Alternative Payment Program Association, California Child Care Development Administrators Association, the Child Care Alliance of California, Child Development Policy Institute, Howard Jarvis Taxpayers Association, and Professional Association of Childhood Educators.

SB 867 would have no direct impact on the County. However, as noted by the County Counsel in their analysis of AB 1164, the provisions that require counties to assist in collecting provider information may pose a problem with confidentiality. Some child care providers are recipients of welfare benefits. The Welfare and Institutions Code Section 10850 expressly prohibits the creation of lists and the distribution of names and addresses of welfare recipients.

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SB 867 was referred to the Assembly Labor and Employment Committee. A hearing has not been scheduled.

We will continue to keep you advised.

WTF:GK  
MAL:DD: sv

Attachment

c: All Department Heads  
Legislative Strategist  
Local 721  
Coalition of County Unions  
California Contract Cities Association  
Independent Cities Association  
League of California Cities  
City Managers Associations  
Buddy Program Participants